



Reprinted
January 30, 2007

HOUSE BILL No. 1208

DIGEST OF HB 1208 (Updated January 29, 2007 4:33 pm - DI 114)

Citations Affected: IC 20-12.

Synopsis: Education programs for veterans. Exempts certain veterans from all tuition and fees at state educational institutions. Requires a veteran to provide proof that the veteran has attempted to obtain alternative financial aid before being awarded a tuition exemption. Provides that veterans and children of veterans who qualify for tuition exemptions at state universities but will attend private institutions of higher learning are entitled to freedom of choice grants. Provides that a student who: (1) is eligible for National Guard tuition assistance; and (2) serves at least one tour of active duty while a member of the National Guard; is entitled to have the student's eligibility for tuition assistance continue for an amount of time equal to the amount of the time the student spent on active duty after the student ceases to be a member of the National Guard.

Effective: July 1, 2007.

Micon, Avery, Reske

January 11, 2007, read first time and referred to Committee on Ways and Means.
January 26, 2007, amended, reported — Do Pass.
January 29, 2007, read second time, amended, ordered engrossed.

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HB 1208—LS 7021/DI 103+



Reprinted
January 30, 2007

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

HOUSE BILL No. 1208

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 20-12-19.9 IS ADDED TO THE INDIANA CODE
2 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2007]:

4 **Chapter 19.9. Tuition Exemption for Veterans**

5 **Sec. 1. As used in this section, "active duty" means full-time**
6 **service by an individual in the armed forces of the United States**
7 **for the least of the following periods:**

8 (1) **Twenty-four (24) consecutive months.**

9 (2) **The entire period during which deployment orders are in**
10 **effect for the individual.**

11 (3) **Any period of service from which the individual is released**
12 **due to a service connected disability.**

13 **Sec. 2. As used in this section, "alternative financial aid" means**
14 **any need or merit based financial aid, from any source, for**
15 **payment of tuition or fees at a state educational institution. The**
16 **term does not include an application for a tuition and fee**
17 **exemption provided by this chapter.**

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1 Sec. 3. As used in this section, "armed forces of the United
2 States" has the meaning set forth in IC 5-9-4-3.

3 Sec. 4. As used in this chapter, "department" refers to the
4 Indiana department of veterans' affairs established by
5 IC 10-17-1-2.

6 Sec. 5. As used in this chapter, "National Guard" has the
7 meaning set forth in IC 5-9-4-4.

8 Sec. 6. As used in this chapter, "state educational institution"
9 has the meaning set forth in IC 20-12-0.5-1.

10 Sec. 7. (a) An individual who:

11 (1) lists Indiana as the individual's state of residence when the
12 individual enlists in the armed forces of the United States or
13 the National Guard;

14 (2) suffers while serving on active duty a service connected
15 disability as determined by the United States Department of
16 Veterans Affairs or the United States Department of Defense;

17 (3) serves any part of the individual's service on active duty:

18 (A) after September 10, 2001; and

19 (B) before a date to be set by presidential proclamation
20 or federal law as the conclusion of the war on terror
21 described in the presidential address to a joint session of
22 Congress on September 20, 2001;

23 (4) receives any discharge or separation from the armed
24 forces of the United States or the National Guard other than
25 a dishonorable discharge;

26 (5) is eligible to pay the resident tuition rate (as determined by
27 the institution) at the state educational institution the person
28 will attend;

29 (6) possesses the requisite academic qualifications for
30 enrollment in the state educational institution the person will
31 attend; and

32 (7) provides proof, as required by the state student assistance
33 commission (as established by IC 20-12-21-4), that the
34 individual has attempted to obtain alternative financial aid;
35 is exempt from the payment of tuition and mandatory fees for one
36 hundred twenty-four (124) semester credit hours at the state
37 educational institution in which the individual is enrolled or will
38 enroll.

39 (b) For purposes of subsection (a)(7), the state student assistance
40 commission:

41 (1) must provide notice in writing to individuals seeking a
42 tuition exemption under this chapter of the proof required

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under subsection (a)(7); and

(2) may establish requirements concerning the type and amount of alternative financial aid that an individual must attempt to obtain before the individual may receive a tuition exemption under this chapter.

(c) For purposes of this section, the commission for higher education established by IC 20-12-0.5-2 shall define the mandatory fees in consultation with the state student assistance commission established by IC 20-12-21-4.

Sec. 8. If an individual who qualifies for or is receiving the tuition exemption under section 7 of this chapter receives financial assistance from:

(1) a program under federal law;

(2) other tuition exemptions under IC 20-12-19 through IC 20-12-19.7;

(3) the National Guard tuition supplement program under IC 20-12-74; or

(4) any other source, including private sources;

that is specifically designated for tuition and mandatory fees at the state educational institution, the state educational institution shall deduct the amount of the financial assistance specifically designated for tuition and mandatory fees from the amount of the individual's tuition exemption under section 7 of this chapter.

Sec. 9. If an individual who qualifies for or is receiving the tuition exemption under section 7 of this chapter earns or is awarded a cash scholarship from any source that is paid or payable to the state educational institution in which the individual is enrolled or will enroll, the state educational institution shall credit the amount of the cash scholarship to the individual for the payment of incidental expenses incurred by the individual in attending the state educational institution, with the balance, if any, of the award, if the terms of the scholarship permit, paid to the individual.

Sec. 10. (a) The department shall determine whether an individual is eligible for the tuition exemption under section 7 of this chapter.

(b) An applicant for the tuition exemption shall make a written request to the director of the department for a determination of the individual's eligibility.

(c) The director of the department shall make a written determination of an applicant's eligibility in response to a request under subsection (b).

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(d) An applicant may appeal in writing an adverse determination under subsection (c) to the veterans' affairs commission established by IC 10-17-1-3 not more than fifteen (15) business days after the date the applicant receives the determination.

(e) The veterans' affairs commission shall issue a final order not more than fifteen (15) business days after the veterans' affairs commission receives a written appeal under subsection (d).

Sec. 11. A person who knowingly or intentionally submits a false or misleading application or other document under this chapter commits a Class A misdemeanor.

SECTION 2. IC 20-12-21-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. (a) The commission shall administer the ~~hereby created~~ freedom of choice grant program.

(b) A person shall be:

(1) eligible for a grant under this program if:

~~(a)~~ (A) the person is qualified for a higher education award under the terms of sections 6 or 6.1 of this chapter, even though lack of funds prevents the actual award or grant;

~~(b)~~ (B) the person has a financial need as determined pursuant to this chapter, and the rules and regulations of the commission in excess of such award; and

~~(c)~~ (C) the person will attend an approved institution of higher learning as defined in section 3(2)(A), 3(2)(B), or 3(2)(C) of this chapter, which is operated privately and not administered or controlled by any state agency or entity; or

(2) entitled to a grant under this program if the person:

(A) qualifies for a tuition exemption under IC 20-12-19 or IC 20-12-19.9; and

(B) will attend an approved institution of higher learning, as defined in section 3(2)(A), 3(2)(B), or 3(2)(C) of this chapter, that is operated privately and not administered or controlled by any state agency or entity.

SECTION 3. IC 20-12-21-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 16. Freedom of choice grant renewals shall be governed by the same conditions as are set forth in section 7(b) of this chapter. **However, the condition described in section 7(b)(3) of this chapter does not apply to the renewal of a grant awarded under section 15(b)(2) of this chapter.**

SECTION 4. IC 20-12-21-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 17. (a) **For freedom of choice grants awarded under section 15(b)(1) of this chapter, the**

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amount of ~~a freedom of choice~~ the grant to be made pursuant to this program shall not exceed the difference between the amount of the total financial need of the student, as determined pursuant to the commission's rules and regulations, and the higher education award made under section 6 or 6.1 of this chapter, or the sum necessary to pay tuition and regularly assessed fees at the institution, whichever is smaller.

(b) For freedom of choice grants awarded under section 15(b)(2) of this chapter, the amount of the grant may not exceed the statewide average of educational costs assessed at all state educational institutions (as defined in IC 20-12-0.5-1), as determined by the commission.

SECTION 5. IC 20-12-74-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. As used in this chapter, "eligible student" means a person who:

(1) is **either:**

(A) a member of the Indiana National Guard:

~~(A)~~ **(i)** in active drilling status; and

~~(B)~~ **(ii)** who has not been absent without leave within the twelve (12) months immediately preceding the date the person applies for a tuition scholarship under this chapter;

or

(B) a former member of the Indiana National Guard who was called to active duty (as defined in IC 20-12-21-5.1(f)) at least one (1) time while a member of the Indiana National Guard;

(2) does not possess a bachelor's degree from an institution of higher learning (as defined in IC 20-12-70-4);

(3) possesses the requisite academic qualifications;

(4) meets the requirements of the state educational institution in which the person is enrolled or will enroll; and

(5) meets all other eligibility requirements as determined by the commission.

SECTION 6. IC 20-12-74-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) Money in the national guard tuition supplement program fund shall be used to provide annual tuition scholarships to scholarship applicants who qualify under this chapter in an amount that is equal to one (1) of the following amounts:

(1) If the scholarship applicant does not receive other financial assistance specifically designated for tuition and mandatory fees, the amount equal to a full tuition scholarship to attend the state

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educational institution.

(2) If the scholarship applicant receives other financial assistance specifically designated for tuition and mandatory fees, the amount:

(A) equal to the balance required to attend the state educational institution; and

(B) not to exceed the amount described in subdivision (1).

(b) Each tuition scholarship awarded under this chapter:

(1) may be renewed under this chapter for a total scholarship award that does not exceed the equivalent of ~~eight (8) semesters;~~

one hundred twenty-four (124) semester credit hours; and

(2) that is renewable under this chapter is subject to other eligibility criteria as established by the commission.

(c) This subsection applies to an eligible student who was called to active duty (as defined in IC 20-12-21-5.1(f)) at least one (1) time while a member of the Indiana National Guard. After the eligible student ceases to be a member of the Indiana National Guard, the eligible student is entitled to have the eligible student's eligibility for tuition assistance extended for an amount of time equal to the amount of time the eligible student spent on active duty.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1208, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Page 1, line 6, after "service" insert **"by an individual"**.

Page 1, line 6, delete "at" and insert **"the"**.

Page 1, line 6, delete "thirty" and insert **"of the following periods:**

(1) Twenty-four (24) consecutive months.

(2) The entire period during which deployment orders are in effect for the individual.

(3) Any period of service from which the individual is released due to a service connected disability."

Page 1, delete line 7.

Page 1, line 10, delete "'commission'" and insert **"department"**.

Page 1, line 10, after "the" insert **"Indiana department of"**.

Page 1, line 11, delete "veterans" and insert **"veterans"**.

Page 1, line 11, delete "commission".

Page 1, line 11, delete "IC 10-17-1-3." and insert **"IC 10-17-1-2."**

Page 1, line 16, after "6." insert **"(a)"**.

Page 2, line 3, delete "either:".

Page 2, line 4, delete "(A)".

Page 2, line 4, delete "at any time" and insert **"while serving on active duty"**.

Page 2, run in lines 3 through 4.

Page 2, line 6, after "Defense;" delete "or".

Page 2, line 7, beginning with "(B)" begin a new line block indented.

Page 2, line 7, delete "(B)" and insert **"(3)"**.

Page 2, line 7, after "serves" insert **"any part of the individual's service"**.

Page 2, line 8, beginning with "(i)" begin a new line double block indented.

Page 2, line 8, delete "(i)" and insert **"(A)"**.

Page 2, line 9, beginning with "(ii)" begin a new line double block indented.

Page 2, line 9, delete "(ii)" and insert **"(B)"**.

Page 2, line 13, delete "(3)" and insert **"(4)"**.

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Page 2, line 16, delete "(4)" and insert "(5)".

Page 2, line 19, delete "(5)" and insert "(6)".

Page 2, between lines 25 and 26, begin a new paragraph and insert:

"(b) For purposes of this section, the commission for higher education established by IC 20-12-0.5-2 shall define the mandatory fees in consultation with the state student assistance commission established by IC 20-12-21-4."

Page 3, line 8, delete "commission" and insert "**department**".

Page 3, line 12, delete "commission" and insert "**director of the department**".

Page 3, line 14, delete "commission" and insert "**director of the department**".

Page 3, line 17, after "(c)" insert "**to the veterans' affairs commission established by IC 10-17-1-3**".

Page 3, line 20, after "The" insert "**veterans' affairs**".

Page 3, line 21, after "the" insert "**veterans' affairs**".

Page 3, line 24, delete "section" and insert "**chapter**".

Page 3, delete lines 26 through 28, begin a new paragraph and insert:

"SECTION 2. IC 20-12-21-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. **(a)** The commission shall administer the ~~hereby created~~ freedom of choice grant program.

(b) A person shall be:

(1) eligible for a grant under this program if:

~~(a)~~ **(A)** the person is qualified for a higher education award under the terms of sections 6 or 6.1 of this chapter, even though lack of funds prevents the actual award or grant;

~~(b)~~ **(B)** the person has a financial need as determined pursuant to this chapter, and the rules and regulations of the commission in excess of such award; and

~~(c)~~ **(C)** the person will attend an approved institution of higher learning as defined in section 3(2)(A), 3(2)(B), or 3(2)(C) of this chapter, which is operated privately and not administered or controlled by any state agency or entity; **or**

(2) entitled to a grant under this program if the person:

(A) qualifies for a tuition exemption under IC 20-12-19 or IC 20-12-19.9; and

(B) will attend an approved institution of higher learning, as defined in section 3(2)(A), 3(2)(B), or 3(2)(C) of this chapter, that is operated privately and not administered or controlled by any state agency or entity.

SECTION 3. IC 20-12-21-16 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 16. Freedom of choice grant renewals shall be governed by the same conditions as are set forth in section 7(b) of this chapter. **However, the condition described in section 7(b)(3) of this chapter does not apply to the renewal of a grant awarded under section 15(b)(2) of this chapter.**

SECTION 4. IC 20-12-21-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 17. **(a) For freedom of choice grants awarded under section 15(b)(1) of this chapter,** the amount of a ~~freedom of choice~~ the grant to be made pursuant to this ~~program~~ shall not exceed the difference between the amount of the total financial need of the student, as determined pursuant to the commission's rules and regulations, and the higher education award made under section 6 or 6.1 of this chapter, or the sum necessary to pay tuition and regularly assessed fees at the institution, whichever is smaller.

(b) For freedom of choice grants awarded under section 15(b)(2) of this chapter, the amount of the grant may not exceed the statewide average of educational costs assessed at all state educational institutions (as defined in IC 20-12-0.5-1), as determined by the commission.

SECTION 5. IC 20-12-74-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. As used in this chapter, "eligible student" means a person who:

(1) is **either:**

(A) a member of the Indiana National Guard:

~~(A)~~ **(i)** in active drilling status; and

~~(B)~~ **(ii)** who has not been absent without leave within the twelve (12) months immediately preceding the date the person applies for a tuition scholarship under this chapter;

or

(B) a former member of the Indiana National Guard who was called to active duty (as defined in IC 20-12-21-5.1(f)) at least one (1) time while a member of the Indiana National Guard;

(2) does not possess a bachelor's degree from an institution of higher learning (as defined in IC 20-12-70-4);

(3) possesses the requisite academic qualifications;

(4) meets the requirements of the state educational institution in which the person is enrolled or will enroll; and

(5) meets all other eligibility requirements as determined by the commission.

SECTION 6. IC 20-12-74-7 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) Money in the national guard tuition supplement program fund shall be used to provide annual tuition scholarships to scholarship applicants who qualify under this chapter in an amount that is equal to one (1) of the following amounts:

(1) If the scholarship applicant does not receive other financial assistance specifically designated for tuition and mandatory fees, the amount equal to a full tuition scholarship to attend the state educational institution.

(2) If the scholarship applicant receives other financial assistance specifically designated for tuition and mandatory fees, the amount:

(A) equal to the balance required to attend the state educational institution; and

(B) not to exceed the amount described in subdivision (1).

(b) Each tuition scholarship awarded under this chapter:

(1) may be renewed under this chapter for a total scholarship award that does not exceed the equivalent of ~~eight (8) semesters;~~ **one hundred twenty-four (124) semester credit hours;** and

(2) that is renewable under this chapter is subject to other eligibility criteria as established by the commission.

(c) This subsection applies to an eligible student who was called to active duty (as defined in IC 20-12-21-5.1(f)) at least one (1) time while a member of the Indiana National Guard. After the eligible student ceases to be a member of the Indiana National Guard, the eligible student is entitled to have the eligible student's eligibility for tuition assistance extended for an amount of time equal to the amount of time the eligible student spent on active duty."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1208 as introduced.)

CRAWFORD, Chair

Committee Vote: yeas 25, nays 0.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1208 be amended to read as follows:

Page 1, between lines 12 and 13, begin a new paragraph and insert:

"Sec. 2. As used in this section, "alternative financial aid" means any need or merit based financial aid, from any source, for payment of tuition or fees at a state educational institution. The term does not include an application for a tuition and fee exemption provided by this chapter."

Page 1, line 13, delete "2." and insert "3."

Page 1, line 13, after "section" insert ",".

Page 1, line 15, delete "3." and insert "4."

Page 2, line 1, delete "4." and insert "5."

Page 2, line 3, delete "5." and insert "6."

Page 2, line 5, delete "6." and insert "7."

Page 2, line 23, delete "and".

Page 2, line 26, after "attend;" insert **"and"**.

Page 2, between lines 26 and 27, begin a new line block indented and insert:

"(7) provides proof, as required by the state student assistance commission (as established by IC 20-12-21-4), that the individual has attempted to obtain alternative financial aid;".

Page 2, between lines 30 and 31, begin a new paragraph and insert:

"(b) For purposes of subsection (a)(7), the state student assistance commission:

(1) must provide notice in writing to individuals seeking a tuition exemption under this chapter of the proof required under subsection (a)(7); and

(2) may establish requirements concerning the type and amount of alternative financial aid that an individual must attempt to obtain before the individual may receive a tuition exemption under this chapter."

Page 2, line 31, delete "(b)" and insert "(c)".

Page 2, line 35, delete "7." and insert "8."

Page 2, line 36, delete "6" and insert "7".

Page 3, line 6, delete "6" and insert "7".

Page 3, line 7, delete "8." and insert "9."

Page 3, line 8, delete "6" and insert "7".

Page 3, line 17, delete "9." and insert **"10."**

Page 3, line 18, delete "6" and insert "7".

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Page 3, line 34, delete "10." and insert "**11.**".

(Reference is to HB 1208 as printed January 26, 2007.)

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